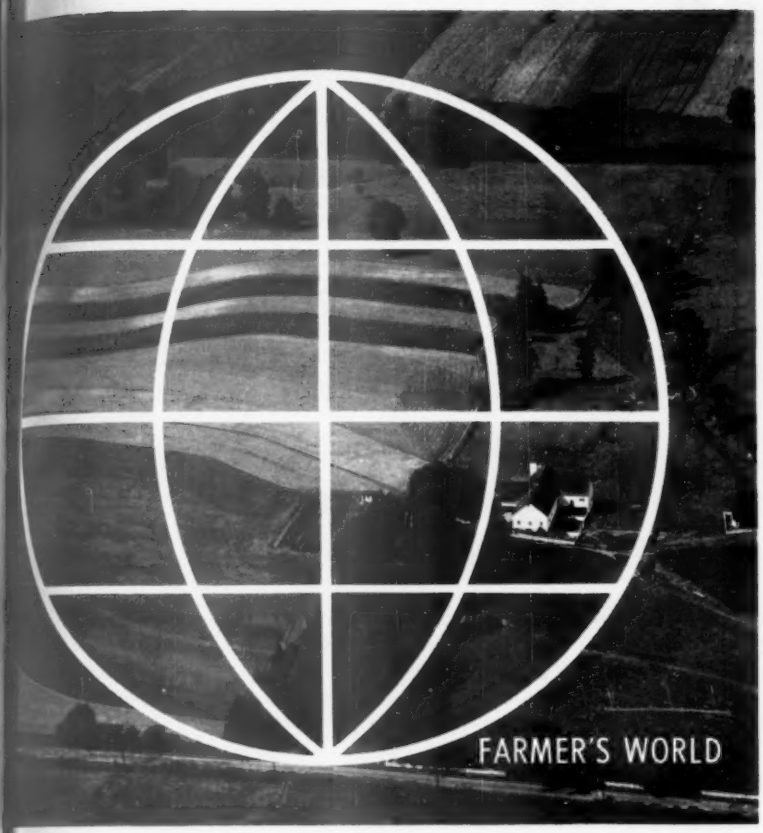

SEPTEMBER 14, 1964

NEW USDA YEARBOOK

ABC's OF EEC's GRAIN PRICES

TOKYO TRADE CENTER AS MARKETING TOOL

THE UNIVERSITY OF MICHIGAN
OCT 19 1964
PERIODICAL READING ROOM

FOREIGN AGRICULTURE

Including FOREIGN CROPS AND MARKETS

A WEEKLY MAGAZINE OF THE UNITED STATES DEPARTMENT OF AGRICULTURE
FOREIGN AGRICULTURAL SERVICE

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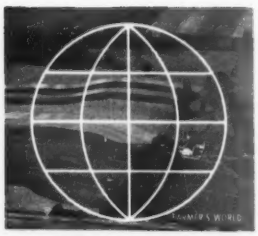
VOL II • NUMBER 37



Farmer's World, new Yearbook of Agriculture reviewed on the following pages by Yearbook Committee Chairman W. A. Minor.

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Foreign Agriculture is published weekly by the Foreign Agricultural Service, United States Department of Agriculture, Washington, D. C. 20250. Use of funds for printing this publication has been approved by the Director of the Bureau of the Budget (December 22, 1962). Yearly subscription rate is $7.00, domestic, $9.25 foreign; single copies are 20 cents. Orders should be sent to the Superintendent of Documents, Government Printing Office, Washington, D. C. 20401.

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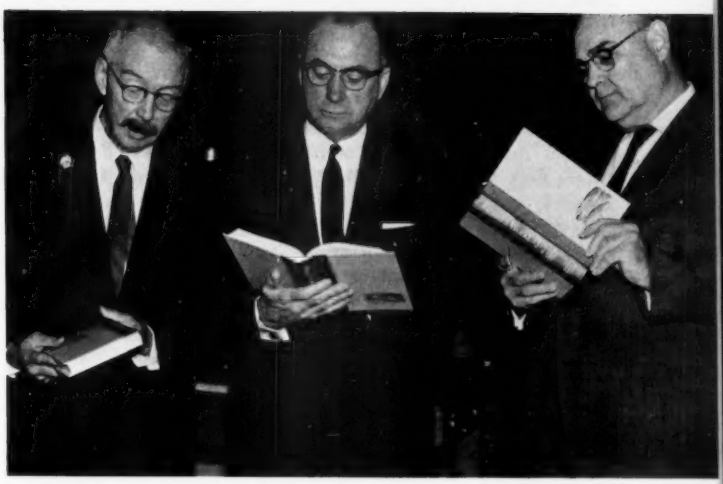
FARMER'S WORLD —the 1964 Yearbook of Agriculture

By W. A. MINOR
Chairman, 1964 Yearbook Committee



Yearbook Editor Alfred Stefferud, Public Printer James L. Harrison, and Yearbook Committee Chairman W. A. Minor (l. to r.).

Appropriately, in this year when American agriculture is breaking all previous records in the exporting of its products, the 1964 Yearbook of Agriculture is devoted to viewing the world through the eyes of the farmer, particularly the American farmer.

Farmer's World has just come off the presses of the Government Printing Office, and Secretary Orville L. Freeman, in his foreword, expresses its theme this way:

"This book reveals the vital stake everybody in the United States has in a healthy export trade for American agriculture, not only because farmers have so much to sell and because the livelihood of so many Americans besides farmers depends on it, but also because the world so greatly needs what we can offer."

Like all U.S. Department of Agriculture Yearbooks, *Farmer's World* is a book for farmers but also it is a book for everyone who has an interest and a stake in the essential but often complicated processes that enable great masses of farm products to be produced in one country but consumed in another.

World agricultural trade is big—over $30 billion worth of farm products move across the various oceans every year. The United States is the largest supplier of this trade —$6.1 billion worth this past fiscal year. The 96 persons who contributed articles to *Farmers' World*—all authorities in their fields—have made a distinguished contribution to better understanding of world agriculture and the ways wherein countries, through trade, are sharing their farm products with one another.

Farmer's World is the 65th Yearbook to be issued by the Department of Agriculture since it began this series in 1894. It currently stands alone in the American publishing field as a comprehensive and thoroughly up-to-date summation of world agricultural history, production, marketing, international trade, international agreements, assistance programs, and future challenges. It should serve a highly useful purpose in informing the farmer and farm leader, the reader and journalist, the student and teacher, the layman and economist, the private citizen and public official. About 275,000 copies of the book are being printed. Distribution is being made mainly by members of the Congress but copies also may be purchased from the Superintendent of Documents, Washington, D.C. 20402.

It is impossible in these few paragraphs to picture adequately the full scope of *Farmer's World*. Its content is varied but purposeful, colorful but utilitarian. In hope that a sampling of its content will lead to further exploration of the book itself, we are pleased to present to *Foreign Agriculture* readers the following excerpts:

AGRICULTURE'S ORIGIN: "Our farming ancestors over the centuries accomplished feats that modern man has not yet duplicated. Drawing upon wild stock, they developed all the major food plants and domestic animals grown today."

WORLD HUNGER: "A world food budget for 1966 shows that additional quantities of foodstuffs would be needed, in all the countries in which diets are less than adequate to meet the nutritional standards, equivalent to 29 million metric tons of wheat, 3 million tons of vegetable oil, 1.6 million tons of nonfat dry milk, and 165 thousand tons of dry beans and peas."

WORLD CATTLE: "The world has slightly more than three times as many people as cattle, but major livestock countries, such as Argentina and New Zealand, have about two and one-half as many cattle as people. Densely populated countries like Pakistan, Burma, Thailand, Ceylon, and Cambodia may have four to six times as many people as cattle."

TROPICAL AGRICULTURE: "Many people have little knowledge of the great agricultural potentials in the humid Tropics. Some still regard these "steamy jungles" with the awe of early explorers before the period of modern machines, chemicals, and methods of research. Developments in many parts of tropical Africa since the Second World War, notably achievements of l'Institut National pour l'Etude Agronomique du Congo, have shown the great possibilities of tropical soils under modern management systems adapted to them."

MAKING NEW LAND: "Holland has been described as a sand and mud dump left over from the ice age. Starting about 400 B.C. with the building of dwelling mounds by the Frisians on the higher spots in the sea marshes, the Dutch have fought continuously against the sea and have

made most of their productive land. Of the total of arable land, 2,538,000 acres, 1,843,000 acres have been reclaimed from the sea, river marshes, and moors."

TRACTORS: "American farmers owned 4.5 million tractors in 1964. Tractors have displaced 22 million work animals and 76 million acres that would have been needed to grow feed for them." But elsewhere in the world . . . "More than 90 percent of the power on the farms of the world is still being generated by human beings and by animals. Most developing countries are not ready for mechanization as we think of it in the United States, or at most are only partly ready."

FERTILIZER: "Fertilizer is the key to profitable crop production in many parts of the world. It is indispensable in a country that is pressed to provide food for the people."

INSECTICIDES: "No country can have an efficient agriculture without the use of insecticides and other pest-killers."

GRAINS: "Seventy percent of the harvested acreage of the whole world—1.6 billion acres—is used to grow grain. That is more than one-half acre and one-third of a ton of grain for each person in the world.

"Wheat, rice, and corn rank as the world's chief grains, measured in terms of production. Wheat has the largest acreage, but its yields are relatively low. Wheat and rice output has been approximately equal during the past few years; together they account for half the world's production of grain. Corn is third; it accounts for about 20 percent. Barley, millet and sorghum, oats, and rye follow and form roughly 30 percent of the world total."

FRUIT: "Most of our many kinds of fruit originated in China and southwestern Asia—not far from where the Garden of Eden is supposed to have been. The original stocks have changed considerably and have traveled far from their birthplace."

VEGETABLE PRESERVATION: "Indians in mountain valleys of South America for centuries have used freeze-drying to preserve potatoes. A commercial adaptation of the method has been developed for a number of items."

ROYAL FOOD: "The Pharaohs of Egypt 3,000 years ago monopolized the consumption of mushrooms and considered them much too good for common people."

MEAT PRODUCTION: "About half of the world's meat supply in 1963 consisted of beef, 41 percent of pork, and 8 percent of lamb, mutton and goatmeat. The remaining 1 percent was horsemeat. This proportion has remained about the same for more than a decade.

"The United States and the Soviet Union accounted for 40 percent of the world's meat production. The United States produced twice as much as the Soviet Union and accounted for more than one-fourth of the world supply."

PROTEIN FROM THE OCEAN: "Some experts on marine resources believe that about 90 percent of the ocean's productivity is unused, and that utilization eventually can be increased at least fivefold without endangering aquatic stocks. If so, the world's oceans could produce 200 million tons annually with sound management and conservation."

FIRST COFFEE BREAK: "The legendary discovery of coffee is attributed to an Arabian goatherd named Kaldi 15 centuries ago. Kaldi, it is said, found his animals dancing after eating fruits and tips of certain bushes. He tasted them and was so stimulated that he cavorted with his goats in the Arabian hills. . . . The use of coffee became a fad in Mecca."

COTTON: "The origin of cotton is lost in the darkness of unrecorded time, but there is strong evidence that man's use of cotton—this king of fibers—was well developed at least 5,000 years ago. Cotton is man's servant universally. The fiber can be woven into cloth one-fourth inch thick or so sheer and delicate as to have been referred to as 'webs of woven wind.' A pound of cotton can be spun so coarse that it would extend not more than a few hundred yards, or so fine it would reach from Washington to New York."

SUPERMARKETS: "The food supermarket was exclusively American until the mid-fifties. Since then, the apparently simple idea of offering many items on a self-service basis in one store has been adopted in many countries.

"West Germany, which had no self-service stores in 1948, had 1,380 in 1956, 30,680 in 1962. Great Britain had 130 self-service stores in 1948, about 3,000 in 1956, and 10,000 in 1962."

LOST FOOD: "The produce of one out of every 8 acres of fruit and vegetables is lost through waste and spoilage en route from the farm gate to the consumer. . . . Losses of similar magnitude can occur in the cereal grains and field crops from attack by fungi, insects, and rodents. On a worldwide basis, this could amount to 55 million tons of grain alone—enough to feed a daily ration of about 1.5 pounds to 250 million people for a year."

WORLD TRADE: "International trade in agricultural products is ancient (Jacob sent his sons to Egypt to buy grain during a drought in Palestine) but was small until recent times. More agricultural products move in world trade now than at any time in the past. . ."

TRADE BARRIERS: "In the kind of world that is taking shape, restrictive trade will be an anachronism. Nations have no choice, therefore; they must lower the restrictive barriers. Only through liberal trade can the good things of our civilization be made available to all mankind."

EXPORT MARKETS: "The foreign market is of major importance as an outlet for many products, particularly those in greatest abundance. It takes half of the wheat American farmers grow and a fourth of their sales of cotton and feed grains."

FREER TRADE: "With imagination and ingenuity, it should be possible to reconcile the legitimate objectives of national agricultural policies with the equally desirable objectives of freer trade. The United States intends to use the powers the Congress has provided under the Trade Expansion Act of 1962 to that end."

AGRICULTURAL ATTACHES: "Ninety-one Americans with farm backgrounds represent American agriculture in more than 100 countries as reporters of worldwide development of importance to our trade, as the spearheads of efforts to widen markets for our products, and as representatives of the Secretary of Agriculture."

NEW MARKETS: "American farmers and other Americans benefit from the increased economic strength of the Free World and particularly from the economic growth of countries that have been helped along the road by United States foreign assistance. This growth has expanded the market for exports, including agricultural goods."

FOOD FOR PEACE: "A sobering dilemma of our time is hunger in some countries and a surplus of food in others. It will not be solved soon.

"The United States has adopted the policy that urgent needs of the less developed countries for food must be met with prompt aid until they can produce their own supplies or buy them commercially."

The ABC's of the Common Market's Grain Prices

It has been said of chess that it is "complex without being profound." The variable levy system used by the European Economic Community to control grain imports is both. It is unquestionably an intricate arrangement—and it has many implications for grain producers almost everywhere.

The EEC's system affects both internal and external trade. The system serves a dual capacity because an EEC grain-importing country (West Germany, for example) obtains supplies from within the EEC (as from France), as well as from "third countries" (outside suppliers such as the United States).

As the diagram indicates, the West German wholesaler who imports wheat from the United States pays a c.i.f. (cost-insurance-freight) price (J), plus a variable import levy (I) which brings his total cost at the frontier to a level equaling the threshold price (H). The threshold price is the minimum price at the border which will reflect the internal target price (G)—the level that West Germany wants its wholesale wheat prices to approximate.

The variable levy, which may change daily, thus erases any price advantage American wheat exporters might have in West Germany by virtue of their ability to "lay down" wheat at Hamburg, for instance, at a relatively low price. Nor would they gain by lowering their price still further; West Germany would merely increase the variable levy by the amount of the price reduction.

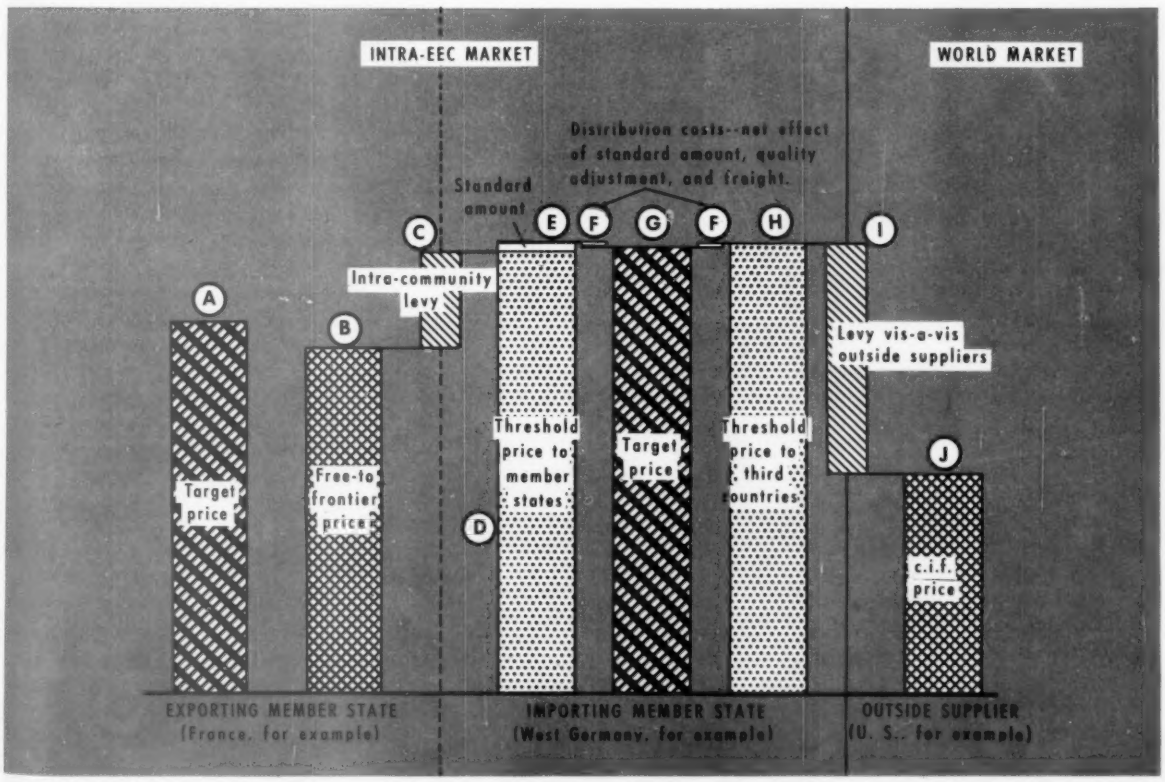
The system works slightly differently when the wholesaler imports wheat from France. He pays the French free-to-frontier price (B) plus the intra-Community levy (C). But the sum of these prices—(D) or the threshold price to member states—falls short of reaching the level of the threshold price to third countries (H). The difference, as the diagram indicates, is the standard amount (E), officially referred to as the "montant forfaitaire." This amount, in effect a small "discount," gives exporting member states a definite price advantage over third countries.

For those who want to substitute actual figures in the diagram, the following values per bushel were typical in France and West Germany in May 1964: (A), $2.90; (B), $2.72; (C), $0.75; (D), $3.47; (E), $0.03; (F), $0.01; (G), $3.49; (H), $3.50; (I), $1.80; (J), $1.70.

A detailed explanation of the variable levy system for grains is contained in the EEC Council's Regulation No. 19, providing for common organization of the Community's market in cereals.

Note: The free-to-frontier price (B) may be above or below the target price of the exporting member country, depending on the market price and distribution costs as far as the selling point. The target price (G) is maintained by government purchases, when necessary, at an "intervention" price level, which can be set anywhere between 5 and 10 percent under the target price. The c.i.f. price (J) is the actual c.i.f. price adjusted to EEC quality. In the diagram, (E) and (F) are shown in exaggerated size for clarity.

How the EEC Cereals Levy System Works



U.S. Helping Pakistan Build Grain Storage Facilities

Some $3.4 million in U.S. Public Law 480 funds are being used by the Pakistani Government in the construction of new grain storage facilities, which should enable Pakistan to better handle its grain imports. The United States supplies virtually all Pakistan's wheat imports under Public Law 480.

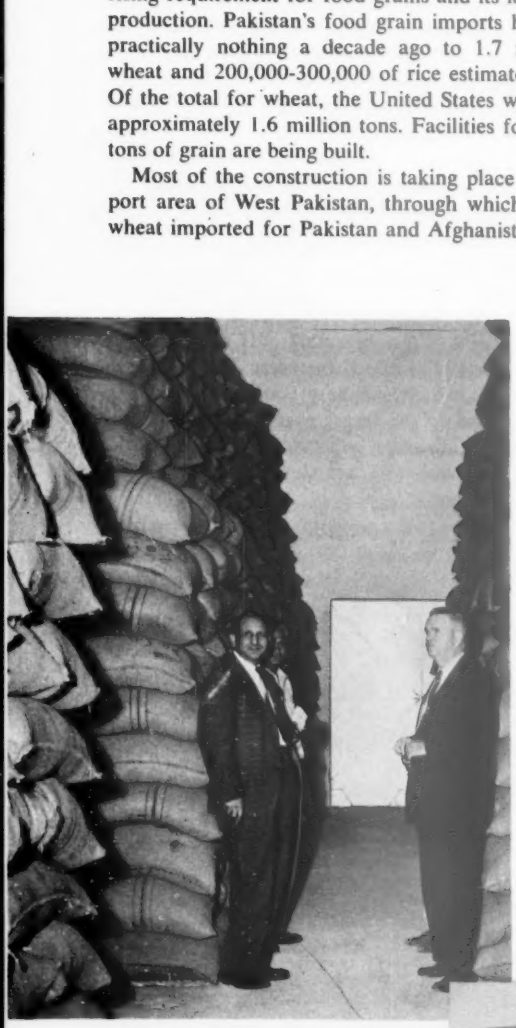
Part of Pakistan's current 5-year plan for economic expansion, this project was stimulated by Pakistan's rapidly rising requirement for food grains and its lagging domestic production. Pakistan's food grain imports have risen from practically nothing a decade ago to 1.7 million tons of wheat and 200,000-300,000 of rice estimated for 1963-64. Of the total for wheat, the United States will be supplying approximately 1.6 million tons. Facilities for over 700,000 tons of grain are being built.

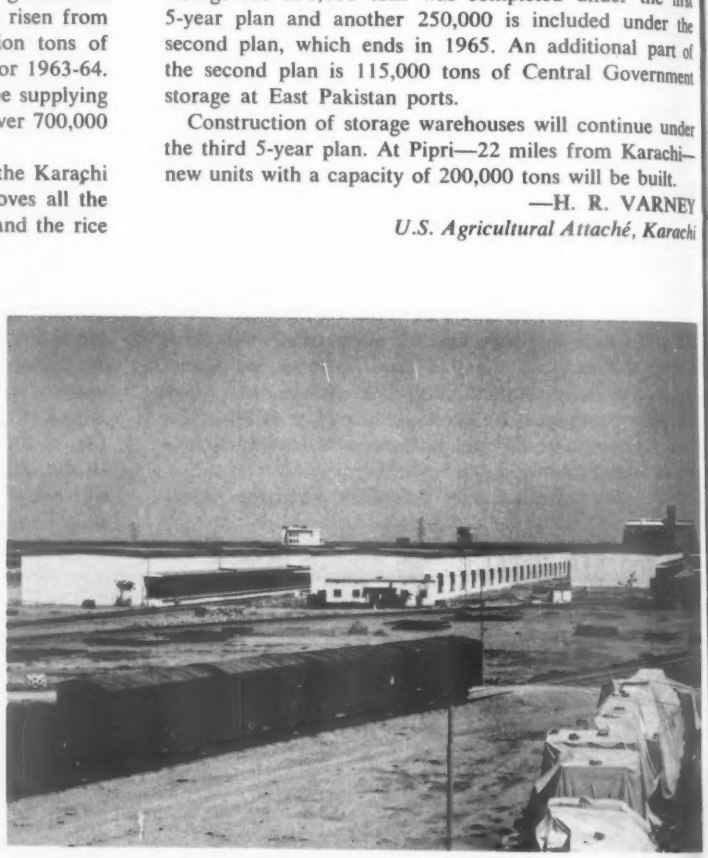
Most of the construction is taking place in the Karachi port area of West Pakistan, through which moves all the wheat imported for Pakistan and Afghanistan and the rice grown in West Pakistan and exported to East Pakistan. The four storage centers being developed here are a needed improvement over the former method of grain storage: bags stacked in the open and covered with canvas. In addition to these centers, the flour mills in the Karachi area have storage for about 20,000-25,000 tons, or about a month's supply.

In East Pakistan, construction of provincial food-grain storage for 250,000 tons was completed under the first 5-year plan and another 250,000 is included under the second plan, which ends in 1965. An additional part of the second plan is 115,000 tons of Central Government storage at East Pakistan ports.

Construction of storage warehouses will continue under the third 5-year plan. At Pipri—22 miles from Karachi—new units with a capacity of 200,000 tons will be built.

—H. R. VARNEY
U.S. Agricultural Attaché, Karachi





Above, view of new food-grain storage facilities and rail siding at Landhi—14 miles from Karachi. These new warehouses have storage space for 70,000 tons of rice.

Above, officials of the Pakistan Ministry of Agriculture and H. R. Varney, U.S. Agricultural Attaché to Pakistan, inspect new warehouses at Keamari, Karachi; right, exterior view. Facilities will hold 25,500 tons of grain.

Britain's Livestock and Poultry Industries Booming

By KARL G. SHOEMAKER
Assistant U.S. Agricultural Attaché

The United Kingdom's livestock and poultry industries have made giant strides in recent years, growth in them by far outpacing gains in other agricultural enterprises. Between 1954 and '1963, production of livestock and livestock products—eggs, milk, and wool—increased 61 and 24 percent respectively, while output of crops gained only 17 percent and that of horticultural products did not change.

The result is that the United Kingdom—which must import around half its food supply—is today 70 percent self-sufficient in beef, 98 percent self-sufficient in poultry meat, and an exporter of eggs for the first time in history.

Mutual gains

Contributing to this expansion as well as benefiting from it is the United States—currently the United Kingdom's largest agricultural supplier.

The biggest increases in production and the most revolutionary changes have occurred in those enterprises that are large consumers of feed concentrates—items which have been heavily promoted by the U.S. trade. An effective vehicle for this type promotion has been the U.S. Trade Center in London, which in April completed its highly successful third annual feed show and nutrition seminar; there authorities from U.S. universities and research stations point up the importance of corn, protein supplement, and high-energy fats in formulating high feed-conversion rations.

To the United States, such promotion has brought expanded markets for coarse grains and protein feeds. British imports of corn rose to 5.5 million short tons in 1962 from 1.6 million in 1953, two-thirds of these coming from the United States. U.S. soybean exports to the United Kingdom climbed to 163,849 short tons (5.5 million bu.) in 1963 from 33,946 (1.1 million bu.) in 1953, and the United States supplied the soybeans for about 75 percent of the soybean meal exported by Canada to the United Kingdom. In addition, the increasing use of fats for high-energy rations has resulted in a larger market for U.S. animal fats.

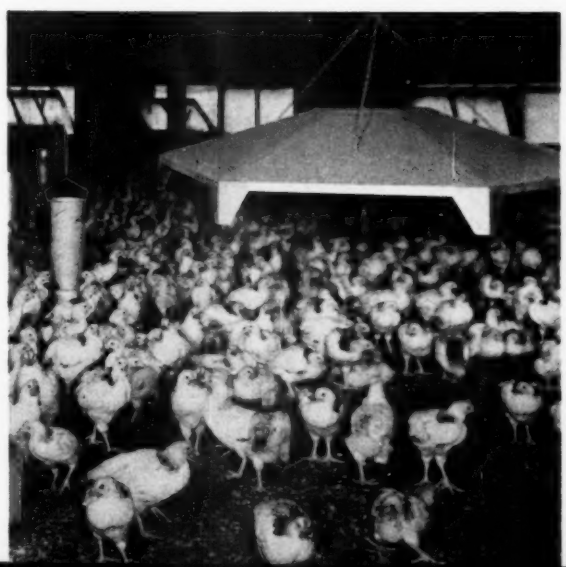
Patterned after the U.S. industry

U.S. feeds have been used most extensively in poultry production. This industry's tremendous growth—by some 256 percent between 1954 and 1963—attests to the success of using birds, feed conversion rations, and production practices similar to those in the United States.

Production of broilers has grown from 25 million broilers in 1954 to 150 million in 1963.

Several of the broiler farms are large scale, having integrated operations of a somewhat different nature than in the United States although perhaps no less important. One integrated firm near Nottingham produces 12 million broilers a year and is now expanding its operations to include 12 million laying hens, 2 million birds per unit. This organization produces its own mixed feed and sells the finished product. The first instance of a feed company integrated with a broiler firm occurred this spring, when a leading British feed company purchased the controlling interest in one of the large broiler companies.

The turkey industry is operated much the same as the broiler industry. One producer currently handles 1.9 million birds a year; he has his own breeding flock, hatchery, and dressing plant. He grows out a substantial proportion of the poults hatched but has agreements with 19 other growers who produce market birds for him. His dressing plant is well equipped and turns out excellently dressed oven-ready birds. His Christmas kill last year averaged 16½ pounds, oven-dressed, at 16 weeks of age.



Great Britain has long been known for its outstanding breeding stock such as the 6-year-old Aldersend Hereford herd sire, left; cows graze in pasture, bottom left. Below, a modern broiler farm. Production methods used by these farms are as modern as anywhere in the world.

This producer has his own sales force to merchandise these turkeys but does not have his own feed plant. He has visited breeders in the United States many times, does considerable breeding research, and has exchanged breeding stock with at least one U.S. turkey breeder.

A problem in the poultry industry is the marketing of the items. Processing and distribution of the products do not appear to be as advanced as they are in the United States. Undoubtedly, the smaller number of supermarkets, inadequate freezing space in domestic refrigerators, and the almost total absence of home freezers contribute to a very different shopping pattern. Frozen, oven-ready broilers and turkeys are gaining in sales but the British consumers' lack of experience in the handling and cooking of frozen products is still a major problem.

Barley beef a new innovation

A new aspect of the beef industry is the production of barley beef (bull calves fed on barley in feed-lot type operations). This is an outgrowth of the Yugoslav livestock industry, which for more than 5 years has been shipping to the Smithfield Market in London cooled (but sold as fresh) carcasses of grain-fed young calves, weighing about 500 pounds.

Since feeding bull dairy calves to about 12 months of age is an important part of this program, commercial feedlots are expanding rapidly. Newly organized barley beef companies buy Holstein bull calves at birth, at prices averaging $45 per head but sometimes as high at $70. One of these organizations, near Hereford, has developed an output capable of selling 100 head per week for slaughter.

The British, whose beef heretofore came directly from the dairy herds, are buying an increasing proportion of it from these young barley beef carcasses, many of which have dairy-breed origin. It is estimated that 15 percent of the British beef slaughtered is of this type.

Another important area of gain, though less influenced by U.S. techniques, is in the production of sheep, cattle, and pigs. Total output of these is up about 40 percent from the 1954 level.

Malaysians Urged To Expand Fruit Growing

To diversify its agricultural economy Malaysia is encouraging farmers to go in for more extensive fruit raising.

Opening a local fruit festival in the States of Malaya, Minister of Agriculture and Cooperatives Inche Mohamed Khir Johari urged greater production of local fruits and stated that his Ministry will sponsor other exhibits of fruits and of fruit-processing techniques throughout the country.

Malaysia is a fairly substantial market for fresh fruits, with oranges the largest imported item. During the 5-year period 1958-62, the States that now constitute Malaysia imported about 43,000 long tons of fresh fruits a year, valued in U.S. money at about $10 million. Of this total, the United States supplied about one-tenth the volume—an average of 4,300 tons annually, at an average value of about $1.7 million.

For a number of years, in spite of the consumer's interest in fresh fruit, acreage devoted to fruit raising has been relatively constant. In 1962, this amounted to about 209,000 acres in the States of Malaya.

Of the latter total, about one-third has been used for raising the three most popular local fruits—durian, rambutan, and mangosteen—little known in the West.

In recent years, however, official measures have been undertaken to hasten agricultural diversification through fruit raising. The Malaysian Government has been helping selected farmers establish new orange groves and has supplied growers with planting materials at nominal cost. A one-third-million-dollar pilot fruit-improvement scheme has assisted cultivators in replanting and rehabilitating their holdings.

Nevertheless, it may be some time before Malaysian fruits replace imported fruits on the local market. The industry is largely made up of small holdings, with production low, irregular, and seasonal. Establishing commercial-type orchards and facilities for storing, processing, packaging, and marketing fruit is likely to entail large-scale investment. Also, the Malaysians may continue to favor some of the imported fruits they are accustomed to, unless prevented by stringent trade restrictions.

Colombians Eating More Sugar, Exporting Less

Colombia—fourth largest producer of sugar in Latin America—is having difficulty maintaining its sugar exports, mainly because of the Colombians' almost insatiable liking for this product. Their per capita consumption of sugar is around 130 pounds—compared with 100 in the U.S.—making them about the biggest sugar eaters in the world.

Best-liked by the citizens of Colombia is a brown block of sugar, known to them as "panela." Panela is half of what is in a Colombian's coffee. It is the good taste in his cooked vegetables, and the syrup he pours over cornmeal cake. It is also what he eats about 80 pounds of a year.

(In addition to the 80-odd pounds of panela that he consumes annually, the Colombian eats another 49 pounds of white sugar yearly.)

Furthermore, panela is an expensive habit. A pound of it costs 13 cents while the same amount of refined sugar can be bought for 10 cents. But the desire for this block of sugar seems almost hereditary, immune to economic variances. Between 1960 and 1963, the price of panela rose by some 200 percent, but the Colombians have gone right on eating it, in fact more than in the past.

The domestic demand for panela has been strong enough recently to cause Colombia a setback in its export earnings from sugar, as more and more of the cane intended for export sugar is being diverted to production of panela. Coffee farmers, too, find this product profitable, and many of them have set up small panela mills similar to the sorghum mills in the southern part of the United States.

Colombia's commercial sugar production is in one part of the Cauca Valley, just north of Cali. Sugarcane, however, is produced practically all over Colombia, except in altitudes much above 6,000 feet and in the lowlands where there is too much water. Sugar for export may find stiff competition from corn, cotton, and oilseeds, depending on world prices, but in view of the strong demand for panela there is little likelihood that sugar acreage will suffer any serious diminution.

—Robert E. Adcock
U.S. Agricultural Attaché, Bogotá

Imports Reflect Rising Japanese Interest in Dairy Products

Japan's dairy industry—largely a postwar development—has been achieving phenomenal success. Yet, so vigorous is the growth of Japanese consumer interest in dairy products that imports of several items have recently shown a steep increase.

In the first 6 months of 1964, Japan imported nearly 10 million pounds of natural cheese, 43 percent more than in the same period of 1963. These purchases were mostly Cheddar from Australia and New Zealand and similar cheese types from Norway, the Netherlands, and Denmark, in much the same import pattern as the year before.

At the same time, Japan's own cheese production has increased sharply, indicating both a greater milk output and a sizable diversion of milk supplies from butter and skim milk products to cheese. Despite this increase, imports of natural cheese—the only dairy item exempt from quota limitations—represent over a third of total available cheese supplies.

Most of this cheese is processed before being sold for consumption. Japan also imports small quantities of processed cheese under quotas, over three-fourths of it from the United States. Although these imports rose markedly in the first half of 1964 as compared with the same period of 1963 (the United States increased its shipments by over 75 percent), they still represented only about 1 percent of total cheese imports.

Japan's per capita consumption of dairy products has shown a steep upturn, but it is still far below that of other developed countries. In 1963 it averaged less than 100 pounds in milk equivalent, compared with about 630 pounds in the United States and nearly 900 in Belgium. Consumption of cheese is still less than ½ pound per capital. Consumption of fluid milk is also very low on a per capita basis. It has, however, kept pace with total milk production despite recent retail price increases, and it represents about half of total milk utilization.

Part of the growth in fluid milk consumption comes from increased use in the school lunch program. This program owes much of its success and growth since its reactivation after World War II to the importation of U.S. nonfat dry milk under government-to-government negotiated sales. Contracts for these sales reached a peak of 187 million pounds in the Japanese program year ending March 31, 1964, though they have decreased to 132 million pounds for the current program year. This decrease reflects partly the purchase of more domestic milk for the expanding program and partly the carryover of U.S. nonfat dry milk from previous purchases. The program at present provides lunches for nearly all primary school children and about 55 percent of the "middle school" children.

With continued government interest in more adequate diets, plus rising consumer ability to buy, Japanese consumption of dairy products is due for further increases. Thus, U.S. commercial sales of these products to Japan are also likely to increase over the next decade if reasonable access is continued—regardless of the growth of Japan's own dairy industry.

—GEORGE H. DAY
Dairy and Poultry Division, FAS

Bumper Rice Crop Forecast for Japan

Japan's 1964 rice crop is forecast at a record 16,612,500 metric tons of rough rice in the first official estimate just released. The yield—also a new high—is estimated at 4,547 pounds per acre from 8,055,000 acres.

Harvesting usually begins in August and September in some prefectures. However, the main harvest gets underway over the entire country by October and continues into November.

The 1964 bumper crop, as forecast September 1, is so far the result of favorable weather and superior cultivation techniques developed in recent years. This is the 10th consecutive year of good-to-bumper crops in Japan.

Demand for rice of all kinds has expanded in recent years as the result of the natural increase in population and economic growth of the country. Consumption has increased more rapidly than authorities had anticipated; Strong demand is expected to continue for some time.

Despite above-average production and larger imports of rice in 1963-64, the carryover stocks of old-crop rice will be unusually small at the beginning of the 1964-65 (November-October) marketing year.

Japan's imports of milled rice in the first 7 months of 1964 were about 150,000 tons more than in 1963 and the largest since 1958. The 365,000 tons imported during January-July (in 1,000 metric tons) came from the following countries: Thailand 110, the United States 105, Taiwan 77, Burma 35, Spain 28, and South Vietnam and Cambodia combined, 10. An additional 25,000 tons expected to be imported from Taiwan this September brings the 1964 total to nearly 400,000 tons.

As the result of a 14-percent increase in the price to producers for the 1964 crop, the government is contemplating raising consumer prices, possibly by 20 percent.

Egypt Plants Largest Rice Acreage on Record

Egypt has planted a record 1,250,000 acres in rice this year, according to a preliminary estimate. This is 300,000 acres more than the previous high of 950,000 acres in 1963 and well above the 1959-63 average of 772,000.

The Ministry of Irrigation issued licenses for planting nearly 1,150,000 acres to rice. Probably 100,000 acres or more were planted on land to be irrigated by underground water. Acreage expansion is attributed to the government's stepped-up program to increase rice acreage and a sufficient water supply from the Nile River for irrigation.

Estimates for Egypt's 1964 rice crop range between 2,200,000 and 2,450,000 metric tons of rough rice. This is sharply above the previous record of 1,700,000 tons in 1962 and the estimated 1963 production of 1,500,000 tons. Reportedly low water supplies limited production in 1963.

Data are not yet available on exports for the 1963-64 rice marketing year (November-October). However, exports of milled rice in 1962-63 were reported at a record 413,800 metric tons, of which nearly half was shipped to the Communist countries as follows: the USSR 92,695 tons, East Europe 93,028, and Cuba 17,121. Asian Countries—mainly Indonesia, Syria, Ceylon, Lebanon, and Jordan—accounted for 126,000 tons, and the Common Market—primarily West Germany—for 55,308.

Left, display of fancy fruit in the gift center of a large Japanese department store. Below, harvesting fruit in Aomori Prefecture, the country's principal apple-growing area.

Japan Growing and Buying More Fruit

Japan has the most rapidly growing economy in the world. Between 1950 and 1961 the Gross National Product rose from about $15 billion to $41 billion. Income rose too, and the result has been a radical change in the life of the Japanese people which is reflected partly in the food they are eating.

Today the average Japanese has a more varied diet. He still prefers rice, but he also eats meat, fruit, and vegetables—and he particularly likes fruit.

The Japanese are growing more of their own fruit. In recent years, most of the major fruit crops have increased about half. Young orchards will add further to output in the near future.

Fruit, however, takes land and Japanese plantings are small; consequently there has been increasing demand for U.S. fruit in the bigger cities. U.S. lemons and fresh pineapples are now allowed to enter freely; other fruits face restrictions. Lemons are the biggest item; however, Hawaiian pineapple meets about 40 to 45 percent of total demand. U.S. grapefruit is sold mostly in gift baskets or through Western-style hotels.

American canned fruit is also finding a market in Japan, larger for some items than for others. Japanese packers must pay high prices for raw fruit, so U.S. imports are competitively priced, even after traveling halfway around the world. Also, they may be preferred: U.S. canned yellow peaches sell at a premium over exotic Japanese white.

A new FAS publication, "Factors Affecting U.S. Fruit Markets in Japan," FAS M-161, gives details concerning both the Japanese industry and the import trade.

Fruit is usually sold to wholesalers through auctions. Below, apples being trucked to auction room. Right, boxes of oranges are inspected by wholesalers before bidding.

The Tokyo Trade Center: An Effective Marketing Tool

By DAVID R. STROBEL
Asst. U.S. Agricultural Attaché, Tokyo

The participation of U.S. agriculture in the United States' Tokyo Trade Center is making a major contribution to bridging the gap between the differing business methods—the differing marketing and distribution procedures —of East and West.

Located close to the heart of downtown Tokyo, the Agricultural Office, U.S. Trade Center, is a part of the U.S. Agricultural Attaché's office, Tokyo. It is located on the third floor of the Trade Center building. Its staff has the responsibility of organizing and carrying out agricultural shows in the Center and assisting in servicing U.S. exporters coming to Tokyo seeking contacts and evaluation of the market in Japan for their commodities.

Since the opening of the Center in April 1963, five agricultural shows—Feedstuffs, Poultry, Leather, Fruit, and Soybeans and Soybean Products —have been successfully carried out. The latter ended only a few days ago after attracting a significant amount of attention from the Japanese trade.

The agricultural shows are all designed to promote commercial markets for U.S. agricultural products. They may be the commercial, servicing-the-customer type of show when a raw material imported from the United States to be further processed in Japan for the consumer market is being featured—or a commercial, exhibitor-type show when a finished, processed agricultural consumer item being exported from the United States to Japan is featured. Of the first type, for example, were the Feedstuffs, Leather, and Soybean Shows. Of the second type were the Poultry and Fruit Shows.

What does participation in an agricultural trade center show provide the U.S. exhibitor? First, of course, it provides him a showplace for his commodity. However, most importantly, it provides for him and his product a maximum exposure to all segments of the Japanese industry interested in utilizing the product.

The number of contacts made by the exhibitor during the 10-to-15 day span of a show would perhaps be difficult for him to make even if he spent as long as 6 to 9 months traveling extensively over Japan. His Trade Center contacts are trade contacts visiting the show by invitation from all of the four main Japanese islands.

Such broad-scale contact provides the quickest means for the exhibitor to become familiar with the largest export market for U.S. agricultural commodities that differs in so many ways from any other market in the world. Habits and customs dictate that business be done through procedures that are entirely different from those existing in the United States or in Western Europe.

In addition to making contacts which assist him in learning about the market, an exhibitor seeking an export agent or a joint venture is provided the maximum opportunity to obtain background information making it possible for him to choose an agent or a connection that will be most mutually beneficial.

Personal contacts and knowledge of the system go a long way in the development of a profitable export outlet for the U.S. businessman in Japan. In other parts of the world it might be said that a product can sell itself. This is not true in the Japanese market. This then emphasizes the necessity of an exhibitor or his U.S. representative being at his exhibit to explain, to show, and to meet those who are interested in handling his commodity. The distance and the cost of a trip to Japan may appear to be

Wheat Associates Holds Sandwich Promotion at Tokyo Center

Wheat Associates' promotion of Western-type sandwiches among leaders of the Japanese baking industry recently at the Tokyo Trade Center illustrates a valuable "between shows" function of the overseas center.

Members of the Baking Industry Association of Japan, who were present by special invitation, first saw a demonstration of sandwich preparation by the Assistant Chef of the Tokyo Hilton Hotel, later ate sandwiches with gusto, as shown in the picture below.

The unique facilities of the Trade Center in Tokyo—where space is at high premium—thus provided Wheat Associates with an opportunity to move another step forward in its promotion program for U.S. wheat in Japan, much of which centers about the Japanese baking industry.

Top left: Author Strobel watches two Japanese importers try U.S. grapefruit at Fruit Show; top right, models at Leather Show; and below left, Howard E. Grow (foreground), representative of the American Soybean Association at recent Soybean Show, talks to tradespeople.

a high investment. However, all U.S. businessmen who have made this investment have felt that on the basis of knowledge gained, the investment was small.

The Agricultural Office prepares for each show general handout brochures with information on the commodities being shown. It also provides each visitor with an exhibitors' catalog. To make the most effective use of his exhibit space the exhibitor should have translated handout material on his specific items, as well as translated posters for display in the interior of his exhibit booth.

For food items, of course, sampling is one of the most effective techniques to introduce new customers to a new product. It is interesting to note that over 60 percent of the Japanese have not only not tasted a grapefruit, but have not even seen one. Sampling of this fine U.S. citrus fruit at the Fruit Show quickly showed that this item, new to so many Japanese, was highly acceptable to all that tasted it. As part of its program for servicing show exhibitors, the Agricultural Office includes the sampling of the food items being featured by groups of selected invited individuals.

In thinking of the differences between Japan and other markets of the world, shipping time must be given adequate consideration. To be sure that his product will have cleared customs and be on the exhibit floor in time for a show opening an exhibitor should have his product on the way, if sent by surface, a minimum of 4 to 6 weeks prior to the show opening date. To facilitate clearing customs detailed invoices are essential.

A Trade Center is a permanent installation. Followup servicing can be provided the agricultural exporter whether he has been a show exhibitor or an individual who has come to Japan to make his own independent business survey. Included in the Agricultural Office, Tokyo Trade Center, is a permanent display and demonstration room of approximately 500 sq. ft. This area is available free of charge to the U.S. exporter who, during the time when there is no agricultural show in the Trade Center, desires to send small samples of his product for display and demonstration to interested Japanese buyers.

This area might be considered to be what is known in the United States as a "sample suite." It is designed to provide the exporter not only an area to display his product, but also an area to serve him as an "office away from home." This service is a most important one in the largest city in the world where one of the most precious commodities is space.

There is no quick way of doing business in Japan, but the individual who makes the effort to find the right way of doing business will find it to have been a profitable effort.

Japan, the leading export market for U.S. agricultural products, is a market that has room for further expansion. It should be of interest to all those in the U.S. agricultural industry interested in an expanded export market for U.S. agriculture. The Tokyo Center provides a very effective market development tool to further the objectives of a continuing and expanding market in Japan for U.S. agricultural commodities.

Belgium Importing Pork From the United States

Belgian meat traders are now buying some pork from the United States because of a summer increase in pork prices in Belgium.

Retail price ceilings imposed by the government in February 1964 to halt rising food prices were raised in June in line with an increase in wholesale prices. This made possible the entry of some pork from the United States. The retail ceilings on August 10 were lowered somewhat, to about 2-to-5 cents per pound below those on July 11; however, this action had little effect on prices on U.S. pork, as it was taken mainly to lessen the markup to the retailers.

Belgian levies on fresh and frozen pork imported from countries outside the EEC range from 1.2 cents per pound for fatbacks to 5.4 cents for loins and some other cuts. The duties on imports from outside the EEC are only slightly higher than those on imports from Italy. Belgium has no import duties on entries from the other Common Market countries.

BELGIAN IMPORT LEVIES ON FRESH AND FROZEN PORK AND LARD, EFFECTIVE AUGUST 1, 1964

Item	Italy	Countries outside EEC
	Cents per lb.	*Cents per lb.*
Carcasses or sides	3.1	3.3
Hams and ham cuts [1]	4.5	4.9
Shoulders and cuts [1]	3.5	3.8
Loins and cuts [1]	5.1	5.4
Bellies	2.4	2.9
Other	5.1	5.4
Fatback, frozen or salted	1.2	1.2
Fatback, dried or smoked	1.3	1.4
Lard	1.1	1.1

[1] With bone.

NOTE: There are no duties on imports of these products from the other Common Market countries.

Iran Importing More U.S. Tallow

Iran is becoming a larger market for U.S. tallow, exports of which more than doubled—from 21.5 million pounds to 43.8 million—between 1961 and 1963. During January-June 1964, U.S. tallow exports to Iran totaled 18.5 million pounds, moderately below a year earlier.

The United States holds practically all of Iran's import market and benefits from lower freight rates than Australia and New Zealand, which are usually the most important world competitors. The import duty is 3 rials per kilogram (1.8 U.S. cents per lb.), and the imports are subject to a commercial tax of ½ rial per kilogram (0.3 U.S. cents per lb.). Bulk facilities are available for unloading imported tallow. Iran has a good foreign exchange position.

Larger soap consumption in Iran has been caused by greater production of better quality soap, lower prices, increased advertising and promotion, and larger consumer incomes. Iran's annual soap production of 60,000 to 80,000 metric tons is all bar soap. There is no production of flakes or powder.

Synthetic detergents are beginning to make inroads on natural soap production. Two synthetic soap plants are now operating and others are being planned.

Iran imports little edible tallow. The import duty on this product is very high—15 rials per kilogram (8 U.S. cents per lb.)—and imports are also subject to an exorbitant commercial tax of 100 rials per kilogram (60 U.S. cents per lb.). Food needs for fats and oils are mainly supplied by vegetable oils and domestically produced animal fats.

U.S. EXPORTS OF INEDIBLE TALLOWS AND GREASES TO IRAN

Year	Quantity
	1,000 pounds
1960	22,584
1961	21,460
1962	28,613
1963	43,770
January-June	
1963	21,376
1964	18,468

New Zealand Meat Shipments to the United States

Four ships are scheduled to leave New Zealand in September with 6,832,000 pounds of meat for the United States—6,496,000 for the East Coast and 336,000 for the West Coast.

Ship	Sailing date	Destination	Quantity
			1,000 pounds
City of Birkenhead	September 16	East Coast	896
Medic	30	--do--	5,600
Arcadia	17	West Coast	112
Mariposa	18	--do--	224

Canada's Flue-Cured Exports Larger

Canada's exports of flue-cured tobacco in January-June 1964 totaled 40.5 million pounds—up 36 percent from the 29.8 million shipped out in the first half of 1963.

Flue-cured exports to the United Kingdom—the largest outlet—were 29.8 million pounds this year, compared with 26.1 million a year ago. Other leading markets this year were the USSR 2.7 million pounds; Japan 1.5 million; West Germany 1.2 million; and Czechoslovakia 1 million.

Average prices for Canadian flue-cured exports, to major markets, in terms of U.S. equivalents, were as follows: the United Kingdom 78 cents; the USSR 37; Japan 63; West Germany 49; and Czechoslovakia 55.

CANADA'S EXPORTS OF FLUE-CURED TOBACCO

Destination	January-June	
	1963	1964
	1,000 pounds	*1,000 pounds*
United Kingdom	26,106	29,763
USSR	--	2,712
Japan	--	1,468
Germany, West	1,494	1,198
Czechoslovakia	--	1,000
Denmark	444	975
Belgium-Luxembourg	242	695
Netherlands	154	574
United States	187	460
Malaysia	115	249
Hong Kong	178	112
Jamaica	348	63
Others	494	1,219
Total	29,762	40,488

Japan's Tobacco Crop Larger Than Expected

The current crop estimate places Japan's 1964 tobacco harvest at 471 million pounds, compared with the previous estimate of 427 million. At this level, the crop would be 36 percent above the record 1963 crop of 347 million.

The flue-cured harvest is now placed at 296 million pounds, burley 26 million, and native light sun-cured 149 million. Last year's crop included 193 million pounds of flue-cured, 23.6 million of burley, and 130 million of light sun-cured leaf.

India Produces Less Wheat and Barley

India's wheat and barley crops in the past agricultural year (July-June) were down by 10 and 18 percent respectively from the previous season, according to the final official estimate just released by the Directorate of Economics and Statistics.

Wheat production is estimated at 357 million bushels compared with 398 million in 1962-63. Harvested area was also down, reportedly 32,878,000 acres from last year's 33,748,000.

The estimate for barley output is 91 million bushels compared with 111 million. The crop was harvested from 6,904,000 acres, reflecting a decline of 564,000 acres, or 7.6 percent, from 1962-63.

The drop in output of barley and wheat occurred mainly in the Provinces of Uttar Pradesh, Rajasthan, Punjab, Maharashtra, Madhya Pradesh, and Bihar. The decline is attributed to reduced acreage plus lower yields resulting from insufficient rainfall at sowing time.

INDIAN PRODUCTION OF WHEAT AND BARLEY

	1963-64 [1]	1962-63 [2]	Percent decrease in 1963-64
WHEAT			*Percent*
Area ----------acres--	32,878,000	33,748,000	2.6
Production -----metric tons--	9,708,400	10,829,100	10.3
Average yield per acre ----------pounds--	651	707	7.9
BARLEY			
Area ----------acres--	6,904,000	7,468,000	7.6
Production ----metric tons--	1,985,000	2,423,000	18.1
Average yield per acre ----------pounds--	634	715	11.3

[1] Official estimate. [2] Revised official estimate.

Mexico Has Corn Surplus

Mexico will have about 400,000 metric tons of corn available for export in 1964-65, following a 1964-record corn crop of 6.4 million metric tons. This along with a carryover of 300,000 metric tons results in a surplus of around 600,000 metric tons over estimated consumption of 6.1 million. Normal carryover of corn amounts to around 200,000 metric tons leaving 400,000 metric tons of corn available for export.

Sweden's Milk Production Declines

Sweden's milk production in the first 6 months of 1964 is estimated at 4 billion pounds, or about 3 percent below the comparable period last year. This decline, all of which occurred in the second quarter, was attributed largely to the increased slaughter of milk cows in 1963 and the first half of 1964.

As a result of the decreased milk production, butter output was down 4 percent to 93 million pounds. Exports of butter showed a similar decline, to 9 million pounds. The United Kingdom and West Germany continued to be the major markets, taking 3 million pounds and 2 million, respectively. Shipments to Switzerland increased substantially—to 2 million pounds from less than 500,000 a year earlier. East Germany, not a purchaser of Swedish butter in 1963, took 1 million pounds, and Italy took no butter this year as compared with 1 million pounds a year ago.

Cheese production was up 4 percent to 67 million pounds. Exports, almost entirely hard types, totaled 7 million pounds, or 4 percent above those in the 1963 period. Principal purchasers were West Germany, taking 3 million pounds; Italy, 2 million; and East Germany, 1 million.

Output of nonfat dried milk declined 3 percent to 32 million pounds, of which 6 million were exported. Shipments went mostly to the United Kingdom, 3 million pounds; and Denmark, 2 million.

Argentine Grain Board Suspends Flaxseed Sales

The Argentine Grain Board as of August 31 reportedly had not sold any flaxseed to private crushers since August 7. To that date the Board had sold 34,090 metric tons (1.3 mil. bu.) out of a sales program covering 64,029 tons (2.5 mil. bu.). The Grain Board reportedly had accepted tenders for 34,990 tons of flaxseed offered to domestic crushers during July 29-August 4 (*Foreign Agriculture*, Aug. 31).

No reasons were announced officially for suspension of sales. However, trade sources indicated that there had been difficulties with buyers' guarantees on sales under credit arrangements. There reportedly is a possibility that some sales already approved will be canceled.

Japan's Soybean Production Continues To Decline

Soybean production and acreage in Japan have declined for the fifth consecutive year. Production in 1964 is estimated at 10.7 million bushels—9 percent below last year's 11.9 million. This decrease has been attributed to reduced acreage and unusually cool weather through mid-July in Hokkaido—the largest soybean producing region in Japan.

Nigeria Expects Record Peanut Crop

Present indications are that Nigeria's 1964 peanut crop will reach an alltime high, if the weather continues favorable.

Rains came early this year and distribution was good. Consequently, food crops, which are planted before peanuts, got off to a good start with no replanting necessary and, as a result, peanut planting started on time and proceeded favorably. A good year for food crops is usually an especially good year for peanuts, while an average year for food crops is usually a poor year for peanuts.

Prices of peanuts and peanut oil have been good this year, owing largely to the substantial purchases by Burma. However, because its sales were made well in advance, Nigeria benefited little from the sharp increase in prices since early April. Reliable trade sources reported that virtually all of the entire 1963-64 crop had been sold as of late July with last deliveries projected into February. Farmers have actually received a greater return this season than last, although the minimum guaranteed price is unchanged.

Since farmers were aware of the sharp increase in prices following sales to Burma, and since 1964 is an election year in Nigeria, it appears likely that minimum prices for the 1964-65 crop may be increased.

Purchases by the Marketing Board as of July 30 at 786,727 long tons (shelled basis) were down 85,000 tons from last year (*Foreign Agriculture*, Aug. 31). However, railroad deliveries were one-third less than those through the comparable date of last year, and truck deliveries were 6 percent less. Consequently, stocks on hand on July 30, at 313,479 tons, were up 2 percent from a year earlier. The lag in deliveries was accentuated by a general strike in early June, which tied up all transportation.

Argentina's Flaxseed Acreage Down

Area sown to flaxseed in Argentina for the 1964-65 crop is placed at 3,286,430 acres, according to the first official estimate. This figure is 9 percent below the first estimate of 1963-64 seedings and 6 percent below last year's final estimate. In 1963-64 Argentina produced 30.4 million bushels of flaxseed from 3,481,145 sown and 3,006,466 harvested acres.

Cuba To Trade Sugar for Bulgarian Machinery

Cuba and Bulgaria on August 25 signed a 5-year trade agreement under which Cuba will send Bulgaria increasing amounts of sugar in exchange for Bulgarian machinery and equipment.

Cuba's sugar exports to Bulgaria will range in quantity from 150,000 metric tons in 1965 to 200,000 between 1967 and 1970. This compares with previous Cuban sugar exports to Bulgaria of 56,177 metric tons in 1963, 117,796 in 1962, and 57,258 in 1961. Bulgaria, in return, will send Cuba electric motors, complete plants, and 75,000 television sets. This agreement is expected to total more than US$200 million in value over the 5-year period.

Nigeria Raises Cocoa Producer Prices

Cocoa farmers in the Western Region of Nigeria will receive an additional £10 per long ton (1.25 U.S. cents per lb.) for the 1964-65 cocoa bean crop.

Producer prices received from the 1963-64 harvest were £110 per ton (13.75 U.S. cents per lb.) for Grade No. 1 cocoa and £95 per ton (12.1 U.S. cents per lb.) for Grade No. 2. Although this is the third consecutive season that Nigerian farmers have received increases, producer prices are still below those in 1959-60 when growers received 20 U.S. cents per pound for Grade No. 1 cocoa.

Nigeria is the world's second largest producer of cocoa beans.

U.S. Cotton Exports Higher in 1963-64

U.S. exports of all types of cotton during the 1963-64 season (August-July) totaled 5,660,000 running bales. This was 69 percent above the 3,351,000 bales shipped during the 1962-63 season and 14 percent above the recent 5-year (1958-59 through 1962-63) average of 4,974,000 bales. Japan, Canada, Italy, West Germany, France, United Kingdom, and India purchased the largest quantities in 1963-64, accounting for 63 percent of total exports. The rest went to more than 50 other countries.

Exports in July were 697,000 bales, compared with 387,000 in June and 183,000 in July of 1963.

Important factors contributing to this sharp rise in U.S. exports were (1) the record high consumption of cotton in foreign countries, plus a rebuilding of stocks to more normal levels in these countries; (2) a reduction in foreign export availabilities resulting both from smaller beginning stocks in 1963 and reduced crops in several large exporting countries; (3) a moderate increase in Communist net imports of cotton from Free World countries; and (4) the competitive position of U.S. cotton on world import markets.

Exports of U.S. cotton during the 1964-65 season are estimated at 5.2 million bales. This estimate is based on a continued high level of consumption in the foreign Free World and U.S. prices competitive with other growths.

U.S. EXPORTS OF COTTON
(Running bales)

Country of destination	Year beginning August 1					
	Average					
	1950-54	1955-59	1960	1961	1962	1963
	1,000 bales	*1,000 bales*	*1,000 bales*	*1,000 bales*	*1,000 bales*	*1,000 bales*
Austria	37	33	35	33	13	23
Belgium & Luxem.	117	160	179	100	72	176
Bulgaria	0	0	0	0	0	19
Denmark	27	17	23	13	13	16
Finland	12	22	29	21	13	10
France	416	360	549	300	180	380
Germany, West	368	475	421	204	101	401
Hungary	0	0	0	0	0	18
Italy	364	416	454	376	192	441
Netherlands	122	124	179	106	71	127
Norway	14	10	14	13	10	14
Poland & Danzig	(1)	85	228	139	62	132
Portugal	7	28	25	18	7	35
Spain	135	171	171	155	(1)	14
Sweden	50	75	101	99	56	88
Switzerland	40	64	99	75	37	95
United Kingdom	417	525	371	270	139	286
Yugoslavia	83	108	88	175	113	78
Other Europe	9	17	8	9	3	20
Total Europe	2,218	2,690	2,974	2,106	1,082	2,373
Australia	30	54	49	64	41	91
Canada	297	217	259	397	271	448
Chile	23	35	51	12	24	2
Colombia	30	33	0	1	1	14
Cuba	18	27	2	0	0	0
Ethiopia	6	4	4	13	15	9
Hong Kong	8	134	219	104	79	187
India	246	184	599	215	198	314
Indonesia	18	30	36	46	51	20
Iraq	0	0	0	0	0	20
Israel	12	16	9	10	7	26
Japan	837	1,154	1,746	1,028	895	1,300
Korea, Rep. of	76	205	195	300	236	313
Morocco	8	10	9	14	8	15
Pakistan	0	14	5	39	8	8
Philippines	9	64	149	142	108	140
South Africa	6	26	51	52	19	37
Taiwan (Formosa)	84	153	176	256	223	189
Thailand	1	4	23	30	22	39
Uruguay	2	15	18	11	0	(1)
Venezuela	3	2	(1)	16	5	12
Vietnam [2]	14	2	26	30	36	75
Other countries	31	27	32	27	22	28
Total	3,977	5,100	6,632	4,913	3,351	5,660

[1] Less than 50 bales. [2] Indochina prior to 1958. Includes Laos and Cambodia.

Canadian Cotton Consumption Up

Canadian cotton consumption, based on the number of bales opened by mills, was 444,000 bales (480 lb. net) during the 1963-64 season. This is the highest since the 1950-51 season and 14 percent more than the 388,000 bales opened in 1962-63. The volume in 1963-64 exceeded

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average annual consumption of 366,000 bales during the previous five seasons by 21 percent.

Consumption in July dropped to a seasonal low of 27,000 bales, compared with 38,000 in the preceding month and 23,000 in July 1963. The low level of consumption in July relative to other months is caused mostly by annual mill vacations.

Imports of cotton into Canada during the August-February period of 1963-64 totaled 235,000 bales, of which 228,000 came from the United States and 7,000 from Mexico. During a similar period in 1962-63, Canada imported 159,000 bales from the United States and 24,000 from Mexico.

Iran's Dried Apricot Pack Larger

The 1964 Iranian pack of dried apricots is estimated at 7,500 short tons. Although considerably larger than the short 1963 pack of 4,500 tons, the 1964 pack is still much below the 1958-62 average of 12,100 tons. Exports in 1964-65 may total 5,500 tons as against an estimated 3,300 in 1963-64.

Small Raisin Crop Forecast for Iran

Iran's 1964 raisin crop is estimated at 50,000 short tons, or 15,000 tons less than the 1963 crop and 10,600 less than the 1958-62 average. The decrease is largely due to unfavorable weather in some of the sultana-growing areas such as Kazvin, Arak, and Malayer. Exports in the 1964-65 marketing year may only amount to 30,000 tons as against an estimated 44,000 in 1963-64.

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